

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE)	PDC CASE NO: #03-080
WITH RCW 42.17)	
)	Report of Investigation
Concerned Citizens for Better)	
Government/Joseph Coomer)	
)	
<u>Respondents</u>)	

I.

BACKGROUND

- 1.1 On April 17, 1998, Concerned Citizens for Better Government (CCBG) filed a Committee Registration Statement (PDC Form C-1pc). The C-1pc listed Joseph Coomer as the committee's campaign manager, treasurer and sole principal officer. No additional C-1pc reports have been submitted by the CCBG.
- 1.2 On October 21, 1999, Meg Van Wyk, and on December 12, 1999, Ronald Clark both filed complaints with the Public Disclosure Commission (PDC) alleging violations of RCW 42.17.080 and RCW 42.17.090 by (CCBG). The complainants alleged that CCBG and Joseph Coomer sponsored political advertising supporting and opposing candidates and ballot propositions, but failed to timely report contribution and expenditure information as required for political action committees.
- 1.3 An enforcement hearing was held before the Public Disclosure Commission on February 27, 2001, in which the Commission found that CCBG and Joseph Coomer committed multiple apparent violations of RCW 42.17.080 and RCW 42.17.090. The matter was referred to the Attorney General's Office for further action.

1.4 During calendar year 2001, and a portion of 2002, a number of letters and attachments were submitted to the PDC and the Attorney General's Office by Ronald Clark regarding advertisements and other flyers produced and distributed by CCBG and Joseph Coomer. **See Exhibit #1.** Based in part on the advertisements submitted by Mr. Clark, on November 8, 2002, PDC Executive Director Vicki Rippie filed a complaint against the CCBG and Joseph Coomer alleging the following violations:

- RCW 42.17.065 by failing to file reports as a continuing political committee; and
- 42.17.080 and 42.17.090 by failing to timely file reports of contributions received and expenditures made during 2001 and 2002.

II.

SCOPE

2.1 PDC staff reviewed the following documents:

1. Letters and attachments submitted to the PDC and the Attorney General's Office by Ronald Clark during calendar year 2001, and a portion of 2002. **See Exhibit #1.**

2.2 Staff reviewed the following:

1. "Interim report" filed by CCBG and Joseph Coomer on October 3, 2001, for activities undertaken during a portion of calendar year 2001.
2. Response letter from Joseph Coomer dated January 29, 2003.
3. Response letter from Joseph Coomer to PDC dated February 3, 2003. The response was a follow-up to PDC letter dated January 29, 2003.
4. A number of phone conversations between PDC staff and Mr. Coomer.

III.

LAW

3.1 **RCW 42.17.065** states in part the following:

“(1) In addition to the provisions of this section, a continuing political committee shall file and report on the same conditions and at the same times as any other committee in accordance with the provisions of RCW [42.17.040](#), [42.17.050](#), and [42.17.060](#).

(2) ...The report shall be on a form supplied by the commission and shall include the following information:

(a) The information required by RCW [42.17.090](#)...;

(4) A continuing political committee shall file reports as required by this chapter until it is dissolved, at which time a final report shall be filed. Upon submitting a final report, the duties of the campaign treasurer shall cease and there shall be no obligation to make any further reports.”

3.2 RCW 42.17.080 states in part the following:

“(1) On the day the treasurer is designated, each candidate or political committee shall file with the commission and the county auditor in which the treasurer resides, a report of all contributions received and expenditures made prior to that date, if any.

(2) At the following intervals each treasurer shall file with the commission and the county auditor or elections officer of the county ... in which the committee maintains its office or headquarters, ... a report containing the information required by RCW 42.17.090:

- (a) On the twenty-first day and the seventh day immediately preceding the date on which the election is held; and**
- (b) On the tenth day of the first month after the election:**
- (c) On the tenth day of each month in which no other reports are required to be filed under this section: PROVIDED, That such report shall only be filed if the committee has received a contribution or made an expenditure in the preceding calendar month and either total contributions received or total expenditures made since the last report exceed two hundred dollars. ...**

(3) For the period beginning the first day of the fourth month preceding the date on which the special or general election is held and ending on the date of that election, each Friday the treasurer shall file with the commission and the appropriate county elections officer a report of each bank deposit made during the previous seven calendar days. The report shall contain the name of each person contributing the funds so deposited and the amount contributed by each person. However, contributions of no more than twenty-five dollars in the aggregate from any one person may be deposited without identifying the contributor.”

3.3 **RCW 42.17.090** states in part the following:

“Each report required shall disclose the following:

- (a) The funds on hand at the beginning of the period;**
- (b) The name and address of each person who has made one or more contributions during the period, together with the money value and date of such contributions and the aggregate value of all contributions received from each such person during the campaign.**
- (f) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, and the amount, date, and purpose of each such expenditure.”**

IV.

FINDINGS

- 4.1 On March 19, 1998 and April 17, 1998 the CCBG and Joseph Coomer filed a Committee Registration Statement (PDC Form C1-pc) listing the purpose of the committee as a Continuing Political Action Committee. The C-1pc filed by CCBG on April 17, 1998, indicated that the full reporting option had been selected which requires political committees to file frequent and detailed reports of contribution and expenditure activity. In addition, the C-1pc listed Mr. Joseph Coomer as the committee’s campaign manager, treasurer and sole principal officer. No additional C-1pc reports have been submitted by CCBG.

CCBG Activities: March-September 2001

- 4.2 On October 3, 2001, CCBG filed a C-3 and C-4 report along with an attached spreadsheet for expenses incurred by CCBG from January-October 3, 2001. **See Exhibit #2.** The information submitted by CCBG indicated that it received \$4,143.72 in contributions, although no contributor information was provided on the C-3 report or in any other format. The C-4 report was incomplete and did not contain the required Schedule A. The C-4 indicated that CCBG incurred \$4,143.72 in expenditures between March 7, 2001 and September 16, 2001.
- 4.3 The \$4,143.72 in expenditures included five advertisements paid for and sponsored by CCBG that appeared in the Highline Times between March 7 and September 12, 2001. In addition, the report indicated that the CCBG printed 4,000 flyers on September 16, 2001, and printed 300 "Vote no" signs on August 13, 2001, both in opposition to the September 2001 Highline School District Capital Improvements bond measure.
- 4.4 The advertisements paid for by CCBG were reported, but the "summary report" failed to include complete vendor information. In addition, the source of the contributions received to pay for the expenditures were not disclosed, or whether or not the source was monetary or in-kind contributions. The 2001 "summary report" submitted by CCBG contained information that should have been reported on PDC forms C-3 and C-4, and that information was filed between 23 and 170 days late.
- 4.5 No C-3 or C-4 reports were submitted by CCBG between March and September of 2001. However, the following expenditures and related publications were listed in the "Interim Report" and are detailed below:

<u>Date of Expenditure</u>	<u>Amount</u>	<u>Purpose</u>
March 7, 2001	\$1,272.00	Ad, Highline Times
April 4 2001	\$ 381.60	Ad, Highline Times
July 18, 2001	\$1,272.00	Ad, Highline Times
August 1, 2001	\$ 477.00	Ad, Highline Times
August 13, 2001	\$ 160.29	300-Vote No Signs
September 12, 2001	\$ 381.60	Ad, Highline Times
September 16, 2001	<u>\$ 199.23</u>	4,000 Printed Flyers
Total Expenditures	\$4,143.72	

- 4.6 On November 8, 2002, PDC Executive Director Vicki Rippie filed a PDC staff generated complaint against CCBG and Joseph Coomer alleging violations of RCW 42.17.065 by failing to file reports as a continuing political committee, and 42.17.080 and 42.17.090 by failing to timely file reports of contributions received and expenditures made during 2001 and 2002. **See Exhibit #3.** In addition, the PDC is in receipt of copies of advertisements sponsored by CCBG during 2002 that have not been reported. A March, 2002 flyer was printed and leafleted by CCBG in opposition to the Highline School District Capital Improvement Bond election on March 12, 2002.
- 4.7 On January 23, 2003, after receiving no response to the allegations listed in the PDC staff generated complaint filed against CCBG and Joseph Coomer on November 8, 2002, PDC Executive Director Ms. Rippie issued a subpoena requiring Mr. Coomer to submit detailed information about his reportable activities, and the records substantiating that information including bank statements and other documentation.
- 4.8 On January 29, 2003, the CCBG and Joseph Coomer submitted a letter stating that information regarding CCBG activities was being submitted, along with an attached spreadsheet and accompanying invoices for activities undertaken during 2001 and 2002. **See Exhibit #4.** All contribution and expenditure activities undertaken during calendar year 2001 were reported on the spreadsheet. No information was reported on the C-3 or C-4 reports or any additional schedules. In addition, the spreadsheet submitted by Mr. Coomer failed to provide the date received for the \$7,321.02 in "donations" made by Mr. Coomer, and whether or not those contributions were monetary or in-kind contributions. The letter from Mr. Coomer went on to state:

"Attached in CCBG report covering expenses and donations for the year 2001, 2002. The attached has the requested data. Also attached are copies of vouchers from the Robinson Newspapers. I have no other receipts. All payments were paid out of my personal account."

"I have given much thought to the intent and function of what the PDC should be and my own constitutional right of freedom of speech. I have concluded that the primary function of the PDC is to control and limit of conflict-of-interest donations to candidates or issues. The PDC need only be involved when there are contributions, conflict or not. I believe the individual has the same constitutional freedom of speech as our newspapers...In the future, I am adopting the concept that if I don't solicit funds for my ads, etc., I am not required to report such expenditures to the PDC and will not."

CCBG: Calendar Year 2001

- 4.9 The information submitted by CCBG in the spreadsheet for calendar year 2001 indicated that it received \$7,366.02 in contributions, of which \$7,321.02 was personal contributions from Mr. Coomer. The \$7,321.02 in personal funds contributed by Mr. Coomer was reported as a lump sum amount, with no bank deposit or date the contribution was received listed or disclosed, or whether or not the contributions were monetary or in-kind. The contributions reported as a lump sum amount were disclosed between 415 and 659 days late. The names and addresses for two contributors was provided by the CCBG, but those funds included a \$25 and a \$20 contribution and only represented .6% of the contributions received by CCBG in 2001.
- 4.10 In addition, the spreadsheet indicated that CCBG made expenditures totaling \$7,366.02 during calendar year 2001. Of the \$7,366.02 in 2001 CCBG expenditure totals, \$4,143.72 was for expenditures that had previously been included in the October 3, 2001, "Interim Report" submitted by CCBG and Mr. Coomer.
- 4.11 The "annual summary report" as submitted by CCBG on January 29, 2003, contained the following new expenditure information that was filed between 415 and over 518 days late:

<u>Date of Expenditure</u>	<u>Amount</u>	<u>Purpose</u>
August 15, 2001	\$ 477.00	Ad, Highline Times
September 5, 2001	\$ 477.00	Ad, Highline Times
October 10, 2001	\$ 90.00	Printing (2,000 flyers)
October 17, 2001	\$1,272.00	Ad, Highline Times
October 17, 2001	\$ 333.90	Ad, Highline Times
October 31, 2001	<u>\$ 572.40</u>	Ad, Highline Times
Total	\$3,222.30	

The October 17, 2001, advertisement paid for by CCBG cost \$1,272 and was in support of Des Moines City Council candidates Richard Benjamin, Gary Peterson, Maggie Steenrod, and Mike Foote, as was the October 31st advertisement costing an additional \$572.40. However, no in-kind contributions were reported as being received by the candidates from CCBG, and neither the "summary report", or the advertisement indicated it was an independent expenditure.

CCBG: Calendar Year 2002

- 4.12 The information submitted by Mr. Coomer on January 29, 2003, failed to disclose any reportable activities undertaken by CCBG or Mr. Coomer in 2002. However, Mr. Clark submitted a copy of a flyer produced and leafleted by CCBG and Mr. Coomer in 2002. **See Exhibit #1, page .** According to Mr. Clark and a review of the political advertisement, the flyer was paid for by the CCBG and was in opposition to the March 12, 2002, Highline School District Capital Improvement Bond election. The flyer was critical of the operations of the Highline School District on a number of issues, and concluded by urging a “No Vote” on the ballot measure.
- 4.13 On January 29, and again on February 3, 2003, PDC staff sent letters to Mr. Coomer and the CCBG requesting information and the disclosure about activities undertaken during calendar year 2002, and if any activities had been undertaken during 2003. **See Exhibit #5.**

On February 3, 2003, the CCBG and Joseph Coomer submitted a letter in response to the inquiries from PDC staff. **See Exhibit #6.** In the letter, Mr. Coomer stated he contributed sign stakes and made signs for Des Moines City Council candidates Peterson, Steenrod, and Benjamin, but he placed no value on the stakes since he allegedly got the stakes out of a dumpster. Mr. Coomer further stated that no value was placed on his labor, that he provided the stakes to CCBG to opposed the Highline School District bond measures without reporting a value, and that he has more than 10,000 stakes allegedly obtained from a dumpster that he plans to donate to candidates or causes.

Mr. Coomer went on to state that he spent \$60 for printing and \$10 for a meeting room using his personal funds in the fall of 2002, with regard to the Suburban SW Sewer District. In addition, Mr. Coomer indicated he I spent \$208 advertising a meeting to form a Republican Club, and \$40 for a meeting room again using his personal funds in December of 2002. Mr. Coomer ran an advertisement in the Highline Times on January 29, 2003, that he has not been billed for that probably cost about \$400 that he paid for using personal funds. Finally, Mr. Coomer stated the following with regards to activities he undertakes using personal funds:

“As for filling out C6 forms for expenditures where only my personal funds are involved, I shall continue to refuse until a court says that it does not violate my constitutional free speech rights...”

- 4.14 PDC staff contacted Mr. Coomer on February 5, 2003, via telephone and inquired about the flyer in opposition to the March 12, 2002, Highline School District Capital Improvement Bond election. During the telephone conversation, Mr. Coomer indicated that he had printed a flyer in opposition to the March 12, 2002, Highline School District Capital Improvement Bond election, and that he distributed the flyer via leafleting the Burien area. Mr. Coomer did not recall how many flyers were printed, what company printed the flyers, how much it cost to print the flyers, whether he used cash or check to pay for the flyers, or how many days he spent leafleting. No details of the 2002 expenditures have been provided.

Respectfully Submitted this 12th day of March, 2003.

Kurt Young
Chief Political Finance Specialist

List of Exhibits

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| Exhibit #1 | Letters and attachments submitted to the PDC and the Attorney General's Office from Ronald Clark during calendar year 2001, and a portion of 2002. |
| Exhibit #2 | On October 3, 2001, the CCBG filed a C-3 and C-4 report along with an attached spreadsheet for only expenses incurred by CCBG for January-October 3, 2001. |
| Exhibit #3 | PDC staff generated complaint filed against the CCBG and Joseph Coomer on November 8, 2002. |
| Exhibit #4 | January 29, 2003, and February 3, 2003, letters sent from the PDC to CCBG and Joseph Coomer along with a political advertisement sponsored by CCBG. |
| Exhibit #5 | Letter to PDC from CCBG and Mr. Coomer received January 29, 2003, along with attached spreadsheet and invoices. |
| Exhibit #6 | On February 3, 2003, the CCBG and Joseph Coomer submitted a letter in response to the PDC staff inquiries. |